GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:4594
ANSWERED ON:21.04.2015
DIFFERENCE IN PRICES
Birla Shri Om

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether disparity between minimum support price and market price of foodgrains has been observed;

(b) if so, the details thereof;

(c) whether the benefits of rising prices have reached the farmers; and

(d) if so, the details thereof and if not, the reasons therefor?

Answer

THE MINISTER OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI RAM VILAS PASWAN)
(a) & (b) : A comparison of the current Minimum Support Price (MSP) and actual prices of select foodgrains is as given below:

(Rs. per Quintal)

Commodity	Current MSP (as on 15.4.2015)	Wholesale Price	Difference
Rice	1360#	1400# 2464	1104
Wheat	1450	2023	573
Gram	3175	4563	1388
Tur	4350	7916	3566
Moong	4600	9322	4722
Urad	4350	7653	3303
Lentil (Masoor)	3075	6821	3746

- MSP for Paddy Common and paddy Grade A

Source- Dept. of Agriculture & Cooperation
State Civil Supplies Departments

(c) & (d) : Minimum Support Price (MSP) for agricultural crops is announced with the objective that farmers are assured of remunerative price for their produce and to prevent distress sale. Therefore when the market prices are higher than MSP, the farmers can sell their produce for a better revenue realization. APMCs were constituted to facilitate marketing of farmers produce. A model Agricultural Produce Marketing (Development and Regulation) Act, 2003 has also been circulated for adoption by State Governments/UTs to reduce intermediaries and avoid exploitation, thereby ensure better price realization by the farmers.